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TAGS: [PREL](#) [PGOV](#) [PHUM](#) [EC](#)  
SUBJECT: C-AL6-00484 PROTEST EFFECTS ON ECUADOR'S STABILITY

REF: STATE 51926

Classified By: PolChief Erik Hall for reason 1.4 (b,c,d)

1. (U) We offer the following responses to questions posed in RefTel.

2. (S) A. Are indigenous groups planning additional widespread protests? If so, what tactics will they use?

Yes. CONAIE has announced a national uprising to commence after the Holy Week Holiday, which ends on April 16. CONAIE has not revealed its tactics, but provincial road blockages and an attempt to converge on the capital are likely. CONAIE/ECUARUNARI leaders are currently in Salasaca coordinating future protest activities and new tactics to include using more dispersed groups coordinated by mobile protest leaders using cell phones. Other anti-FTA protests convoked by rival indigenous organizations, FENOCIN (indigenous campesinos) and FEINE (evangelical indigenous), were scheduled for April 5 but were largely blocked by preventive measures to enforce the state of emergency in 5 provinces, delaying any indigenous protest presence in the capital.

Of the three organizations, CONAIE is by far the largest in membership. The three organizations have not worked together since 2001, to protest cooking gas price hikes. Ex-president Gutierrez won election in 2002 with CONAIE support, which lasted six months before ending in acrimony. After that, the Gutierrez government successfully divided FEINE from CONAIE by channeling projects and positions to the former.

1) Are other protest groups, such as labor unions or local organizations, planning to join? If not, why?

Labor union leaders publicly support anti-FTA protests, but in recent years have not shown the ability to turn out large numbers of protesters in the streets. Privately, labor leaders tell us they will probably wait to take to the streets until after an FTA is agreed upon. Labor groups against the TLC and leftists student groups could join protests if they become more widespread in Quito. At this time there is no direct coordination between non-indigenous groups (labor unions/student groups) and indigenous led protest activity, but both have conducted independent protest actions in the capital. Radical students are notable for their use of violence in protest actions.

2) How important have provincial organizations been in the recent round of demonstrations?

Provincial demands concentrated in the heavily indigenous highlands provinces (Tungurahua, Cotopaxi, Chimborazo, Imbabura, Canar and Amazonian Pastaza province) fueled recent protests, which consisted largely of road blockages which peaked during the week of March 27. Provincial demands were financial, and led by mayors seeking funding for their infrastructure needs. CONAIE and later FENOCIN and FEINE overlaid their anti-FTA demands upon these local protests. CONAIE's demands were the most extensive, including an FTA referendum, expulsion of Occidental Petroleum, and a constituent assembly. They have since added the demand that the government respect the recently-approved hydrocarbons law.

3) Has Radio La Luna or its director backed the indigenous protests or tried to stir up protests in Quito?

Yes. Radio La Luna has been actively supporting indigenous protests by coordinating protest activity over the air. Radio La Luna has been broadcasting heavily anti-TLC and anti-American content, especially during the height of the recent demonstrations/strikes. Please see TDX-315/21318-06 for more details. Radio La Luna broadcast its opposition to the Palacio government on 22 MAR 06.

13. (S) B. Are indigenous groups planning to try to overthrow the national government? If so, what is their motivation and what are their plans?

Indigenous protest leaders insist their intention is not to overthrow the Palacio government, but to demand a referendum over whether to seek an FTA with the United States. Initially, some CONAIE leaders demanded Palacio's resignation and a constituent assembly, but they have not emphasized either demand since. In addition, the protests have served to re-establish CONAIE leader Luis Macas' political base amongst a politically fractured indigenous electorate prior to the upcoming October elections.

1) Are any non-indigenous groups or actors bankrolling their efforts?

European NGOs and the Venezuelan Government are allegedly supporting the indigenous protests. Please see TD-314/21153-06 for more information.

The GOE has publicly alleged that protesters are receiving external support, and privately tells us they do not have hard evidence of this. The GOE does have evidence that many indigenous protest leaders have traveled repeatedly to Venezuela, and allege GOV involvement in encouraging the protests. Publicly, the GOE highlighted participation by three Basque who joined an indigenous march from Pastaza province to the capital. The Spanish Embassy sheltered and removed the three after an arrest warrant was issued, and protested persecution of what appear to have been innocent Spanish tourists.

2) Is President Palacio willing to pursue a free trade agreement with the U.S. even if it provokes street demonstrations?

President Palacio has been pursuing an FTA despite ongoing or threatened street demonstrations in Quito or the provinces for the past several weeks. He has repeatedly stated that he will continue to seek a fair FTA for Ecuador. States of emergency have been declared in 5 provinces to actively prevent protesters from disrupting commerce and from arriving in the capital. Police and military have been enforcing state of emergency restrictions actively. That said, some presidential advisors have expressed concern that pressure on Palacio would mount if protests seriously escalate in the capital.

3) Is he willing to pursue a resolution to the Occidental investment dispute even if it provokes protests?

Protests and the intense politicization of the Occidental

case already exert great political pressure on the government. Continued street protests would only increase the pressure to decide against Occidental.

14. (S) C. Does the Ecuadorian military support the Palacio government?

The Ecuadorian military hierarchy supports the Palacio government.

1) Would any parts of the military support an attempt to overthrow the government?

Opposition to the Palacio government is isolated to small groups of disaffected mid-level military officers. We perceive no momentum for this disaffection to spread to the rest of the military. Any military coup rumors at this time are unsubstantiated. Despite poor morale, a lack of funding, and poor pay, the bulk of the military continues to remain loyal to the central government.

Furthermore, the military does not have a recent history of coup-plotting alone. They have participated in the removal of three straight elected presidents, but always in a supporting role to popular forces and civilian political leaders.

2) Are military officers willing to use violence to repress protesters? If not, why?

Military officers are reluctant to use force for fear that they will be prosecuted if/when the central government finds it politically untenable to support military action to quell protest activity. The military also has very limited non-lethal resources to address widespread, violent unrest.

The military and police routinely clash with protesters, firing tear gas and using some force, and have even used rubber bullets in extraordinary circumstances. Isolated incidents are always possible, but the application of deadly force against protesters is very unlikely, especially in the capital.

3) Are conscripts willing to follow orders to repress protesters?

Conscripts are not used to repress protestors. Volunteers are, however, used to restore order during a state of emergency and typically do as they are ordered.

15. (S) D. Does the Ecuadorian Congress support the Palacio government?

None of the traditional political parties want more volatility or disruption prior to the upcoming October 2006 elections. Pachakutik and some (minority) elements within the ID support indigenous protest activity. Others in the ID could see a benefit to advancing elections, given their recently agreed alliance backing the candidacy of front-running Leon Roldos. However, we have not detected any support from the ID (or any other party) leadership to remove the Palacio government.

1) Would any political parties support an attempt to overthrow the government?

Thus far we have no such indication.

2) Would President Palacio consider resigning before the elections if protests escalated?

Palacio has publicly offered to resign on several occasions, while promoting political reforms such as a constituent assembly. A more typical scenario, as in the case of the last three elected presidents, would be for Palacio to step down should the military withdraw its support while political leaders called for his removal and street protests gave an indication that it was "the will of the people." However, we

do not believe that scenario is likely to occur this late in  
the term of a replacement presidency.

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